**APPROVED**

by Public Joint Stock Company

Moscow Exchange MICEX-RTS

(Order No. МБ-П-2022-\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ 2022)

**SPECIFICATION FOR FUTURES CONTRACT ON**

**THE RUSSIAN GOVERNMENT BOND INDEX (RGBI)**

This Specification sets out the standard terms and conditions of the RGBI Futures contract (hereinafter referred to as the Specification).

The Specification with the Clearing Rules for the Moscow Exchange Derivatives Market (the “Clearing Rules”), Trading Rules for the Moscow Exchange Derivatives Market (the “Trading Rules”) shall define the obligations under the cash-settled RGBI Futures contract (hereinafter the “Contract”) as well as the procedure for such obligations to arise, be changed or terminated.

The underlying asset of the Contract is the Russian Government Bond Index (RGBI) calculated by Moscow Exchange (hereinafter the Exchange) in accordance with the methodology approved by the Exchange and registered with the Bank of Russia.

Terms and definitions not expressly defined in the Specification shall be understood in accordance with the laws of the Russian Federation, the Trading Rules and the Clearing Rules.

1. Entering into the Contract
	1. The opportunity to conclude the Contract in the process of trading shall be granted by the Moscow Exchange resolution that shall specify:
* Contract code (designation);
* First trading day during which the Contract may trade (hereinafter the First Trading Day);
* The time from which the Contract may be executed (hereinafter the Start of Trading);
* The last Trading day for the Contract (the “Last Trading Day”).
	1. The Contract code (designation) is formed as follows:

RGBI-<settlement month>.<settlement year>.

The settlement month and year specified in the Contract’s code (designation) (hereinafter the Contract’s settlement month and settlement year) shall be indicated in Arabic numerals and shall be used to determine the last Trading Day on which the Contract may be executed and the settlement day.

* 1. Contract price
		1. When orders are submitted and contracts are executed, the Contract price shall be quoted in points as the RGBI value multiplied by 100.
		2. A minimum price fluctuation for the Contract (the “tick”) is one point.
		3. The tick value is RUB 1.
	2. The last trading day of the Contract shall be the first working day of March, June, September and December of the settlement year. The Exchange shall be entitled, upon agreement with the Clearing Centre, to set another date for the Last Trading Day for the Contract, different from the date determined in accordance with this clause.
	3. The settlement day for the Contract is its last trading day, except to the extent mentioned in Section 6.1 and 6.2 below.
	4. The list of dates, which are the last trading and settlement days for the Contracts, shall be published on the Exchange website.
1. Obligations under the Contract
	1. Variation Margin obligation.
		1. The Parties to the Contract must pay each other variation margin in the form of cash, in the amount depending on the changes in the value of the underlying asset.
		2. Variation margin will be calculated and must be paid during the life of the Contract.
		3. Variation margin for the Contract is calculated according to the following formulas:
			1. During the intraday clearing session:
2. If the variation margin has not been calculated before:

**VM1 = Round (SP1\*Round (W1/R; 5); 2) – Round (P0\*Round (W1/R; 5); 2)**

where:

VМ1 – variation margin for the current trading day’s intraday settlement period, calculated during the intraday clearing session,

Round – mathematical rounding to the specified precision,

P0 – execution price of the Contract,

SP1 – daily (last) settlement price of the Contract,

W1 – tick value,

R - the tick.

1. If the variation margin has been calculated before:

**VM1 = Round (SP1\*Round (W1/R; 5); 2) – Round (SPP\*Round (W1/R; 5); 2)**

where:

VМ1 – variation margin for the current trading day’s intraday settlement period, calculated during the intraday clearing session,

Round – mathematical rounding to the specified precision,

SP1 – daily (last) settlement price of the Contract,

SPp – settlement price of the Contract calculated during the previous trading day’s evening clearing session,

W1 – tick value,

R - the tick.

* + - 1. During the evening clearing session:
1. If the variation margin has not been calculated before:

**VM2 = Round (SP2\*Round (W2/R; 5); 2) – Round (P0\*Round (W2/R; 5); 2)**

where:

VМ2 – variation margin for the Contract as calculated in the evening clearing session for the current trading day’s evening settlement period,

Round – mathematical rounding to the specified precision,

P0 – execution price of the Contract,

SP2 – daily (last) settlement price of the Contract,

W2 – tick value,

R - the tick.

1. If the variation margin for the Contract has been calculated in the intraday clearing session on the current trading day:

**VМ2 = VМ – VМ1**

where:

VМ2 – variation margin for the Contract as calculated in the evening clearing session for the current trading day’s evening settlement period,

VM – variation margin for the Contract as calculated in the evening clearing session for the current trading day;

VM1 – variation margin for the Contract as calculated in the intraday clearing session on the the current trading day as per Section 2.1.3.1 above.

VM is determined according to the following formulas:

1. If the variation margin has not been calculated for the previous trading day in the evening clearing session:

VM = Round (SP2\*Round(W2/R; 5); 2) – Round(P0\*Round (W2/R; 5); 2)

where:

Round – mathematical rounding to the specified precision,

SP2 – daily (last) settlement price of the Contract,

P0 – execution price of the Contract,

W2 – tick value,

R - the tick.

ii. If the variation margin has been calculated for the previous trading day in the evening clearing session:

VM = Round (SP2\*Round (W2/R; 5); 2) – Round(SPP\*Round (W2/R; 5);

where:

Round – mathematical rounding to the specified precision,

SP2 – daily (last) settlement price of the Contract,

SPp – settlement price of the Contract calculated during the previous trading day’s evening clearing session,

W2 – tick value,

R - the tick.

* + 1. The obligation to pay the variation margin calculated according to the formulas specified in clause 2.1.3 above shall be fulfilled according to the procedure and within the terms established by the Clearing Rules. For this purpose,
* if the variation margin is positive, the obligation to pay the variation margin arises for the Seller;
* if the variation margin is negative, the Buyer is obliged to pay the absolute value of the variation margin.
	+ 1. The settlement price of the Contract is set by the Exchange under the procedure and within the time frames set out in the Trading Rules and Specification.
1. Expiration settlement obligation
	1. The obligation to pay the variation margin as determined during the intraday clearing session on the settlement date for the Contract, is the Final Settlement Obligation.
	2. For the purpose of determining the Expiration Settlement Obligation, the current Settlement Price of the Contract shall be deemed to be equal to the closing value of the RGBI, which is published on the Moscow Exchange website at <http://www.moex.com/> for the preceding trading day, multiplied by 100.
	3. The Settlement Price of the Contract is adjusted to account for the futures contract Settlement Price fluctuation limit, if established by the Exchange upon agreement with the Clearing Center under the Settlement Price Methodology for Derivative Contracts constituting the appendix to the Trading Rules.

4. Grounds and procedure for termination of obligations under the Contract

* 1. Obligations under the Contract are terminated in full upon due performance thereof.
	2. A party’s obligations under the Contract will be terminated prior to the final settlement by entering into an offsetting Contract with the same Contract code (designation), subject to the procedures and time frames set forth in the Clearing Rules.
	3. Obligations under the Contract may be terminated on other grounds provided for in the Clearing Rules, in accordance with the procedures set forth thereof.
1. Liability of the parties for failure to perform the obligations under the Contract
	1. Parties to the Contract are liable for non-performance or improper performance of their obligations under the Contract, as provided for in Russian law, Trading Rules and Clearing Rules.
2. Special provisions
	1. In the event of circumstances that lead to a material change in the settlement terms for the Contract stipulated in the Specification, including in case of suspension/termination of trading in the Contract, the Exchange shall have the right, upon agreement with the Clearing Centre, to take one or more of the following decisions:
		1. change the last trading date for the Contract,
		2. change the settlement date for the Contract,
		3. change the daily (final) settlement price, and/or amend the calculation method for the variation margin and/or rules pertaining to its payment,
		4. undertake other actions provided for in the Trading Rules.
	2. The Exchange shall be entitled upon agreement with the Clearing Centre to change the date of the last trading day and/or the settlement date for the Contract with a certain code, or take any other decision(s) provided by section 6.1 of the Specification, if in accordance with the decision of the state body of the Russian Federation the last trading day for the Contract is announced to be a non-business day.
	3. Information on the decision(s) taken by the Exchange under clauses 6.1 and/or 6.2 above shall be communicated to the Trading Members by its publication on the Exchange website not less than 3 (three) Trading Days prior to the effective date of the respective decision(s). In case the grounds for decisions provided by clauses 6.1 and/or 6.2 above occur less than 3 (three) Trading Days prior to the last trading day for the Contract, the information on such decision(s) taken by the Exchange shall be notified to the Trading Members by its publication on the Exchange website not later than on the effective date of the respective decisions.
	4. Unless otherwise provided by the Exchange, from the moment of entry into effect of the decision(s) adopted by the Exchange under sections 6.1 and/or 6.2 above, the terms of existing Contracts previously executed are deemed to have been changed accordingly.
	5. In the event that the RGBI ceases to meet the requirements of the Bank of Russia for the underlying asset of a derivative contract, the terms and conditions of the obligations under the previously executed Contracts shall not be altered.
3. Amendments and Supplements to the Specification
	1. The Exchange is entitled to introduce amendments and supplements hereto as agreed with the Clearing Center.
	2. Amendments and supplements hereto go into force at the moment the Exchange puts into effect the updated Specification, containing such amendments and supplements.
	3. The Specification as amended and supplemented from time to time is published on the Exchange website at least 3 (three) business days before it takes effect, which serves as notice to trading members.
	4. Unless otherwise decided by the Exchange, as soon as any amendments and supplements to the Specification come into force, the terms of existing Contracts previously executed are deemed to have been amended or supplemented accordingly.